

Hill Republicans wary of cuts in Trump's 2018 budget plan out Tuesday

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<u>Trump</u> offered a streamlined version of the <u>budget</u> plan in March, but it dealt only with the 30 percent of government spending that is appropriated each year.

People familiar with the plan say that includes cuts to pensions for federal workers and higher contributions toward those pension benefits. The people describing the proposals spoke on the condition of anonymity because the budget had not been released publicly and the White House is closely guarding details.

The \$193 billion cut, or 25 percent cut, to the <u>food stamps</u> program, called the Supplemental Nutrition Assistance Program, would be achieved by limiting eligibility for <u>food</u> stamps and by requiring those enrolled in the program to work, the White House document shows. The bill doesn't include specific changes to that program but would profoundly impact people who are dual eligible, receiving benefits from both Medicare and <u>Medicaid</u>.

The *Associated Press* also <u>reported</u> that the budget will include \$1.6 billion for the contentious U.S. -Mexico border wall and a \$2.6 billion hike for border security programs. Medicaid is the third largest program domestic program in the federal budget, behind Social Security and Medicare.

Trump recently unveiled the broad principles of what he has said will be the biggest in U.S. history, and Treasury Secretary Steven Mnuchin told a Senate panel last week that these tax cuts would end up creating trillions of dollars in new revenue, something budget experts from both <u>parties</u> have disputed. The Washington Post reports that Trump's budget slashes Medicaid by \$800 billion over 10 years, meaning he's on board with the House vision to reverse former President Obama's expansion of the program to pay for health care.

Student loans: As the Washington Post previewed: "students now can have the balance of their loan forgiven after paying 10 percent of their income for 20 years".

Such cuts —which include "zeroing out" programs like community development block grants and heating aid to the poor —were ignored when Congress earlier this month wrapped up a massive spending bill for the current year.

"We think it's wrongheaded", said Rep. Mike Conaway, R-Texas, chairman of the House Agriculture Committee, when asked about looming cuts to farm programs.

President <u>Donald Trump's</u> budget plan envisions cuts totaling \$1.7 trillion over 10 years in so-called mandatory programs.

'The budget's a starting point. Michael Tanner, welfare expert at the libertarian Cato Institute, said taking another look at government entitlements is a worthwhile effort, as the feds may not see "the type of gains" they seek under such programs, while Sen.

Republicans controlling Congress have delayed action on their companion budget measure, waiting for Trump to go first. But it will make discretionary cuts to education, housing, environmental programs and foreign aid as well as nondiscretionary spending such as federal employee benefit programs, WSJ reports.